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FISCAL IMPACT STATEMENT

LS 7121

BILL NUMBER: HB 1334

NOTE PREPARED: Jan 23, 2014

BILL AMENDED:

SUBJECT: Private Fire Extinguishing Resources.

FIRST AUTHOR: Rep. Frye R

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill provides that before causing a private fire extinguishing resource to be installed on the premises of a building, the owner shall provide advance written notice of the proposed installation to the water utility providing water service to the building. It provides that the notice must be hand delivered or sent by verified mail at least seven days before the date of the proposed installation. It provides that with respect to a building served by a private fire extinguishing resource installed before March 28, 2014, the owner shall provide written notice of the fact to the water utility providing water service to the building. The bill also provides that the notice must be hand delivered or sent by verified mail not later than July 1, 2014.

The bill provides that before terminating water service for: (1) nonpayment of outstanding fees or charges; or (2) another reason not related to an emergency; to a building served by a private fire extinguishing resource, a water utility shall provide advance written notice of the termination to the local fire department. It provides that the notice must be hand delivered or sent by verified mail at least seven days before the date of the proposed termination.

The bill provides that if a water utility receives notice from a municipal sewer utility to discontinue water service to a building served by a private fire extinguishing resource: (1) the water utility, upon receipt of the notice, shall provide to the sewer utility ordering the termination a copy of the required notice provided to the local fire department; and (2) the 30 day statutory period by which the water utility must terminate the water service is tolled until after the date of the proposed termination set forth in the notice to the fire department.

The bill also provides that before terminating water service for: (1) nonpayment of outstanding fees or

charges; or (2) another reason not related to an emergency; to a multitenant residential building, a water utility shall provide advance written notice of the proposed termination to the appropriate local board of health. The bill also provides that the notice must be hand delivered or sent by verified mail at least seven days before the date of the proposed termination.

Effective Date: Upon passage.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: The bill provides notification requirements for municipal water utilities concerning the termination of water service to buildings served by private fire extinguishing resources and multitenant residential buildings. Notice must be provided to local fire departments (for buildings served by private fire extinguishing resources) and local boards of health (for multitenant residential buildings) by hand delivery or verified mail. These requirements could increase expenditures for municipal water utilities, but the increase will depend upon the extent that notifications must be made as a result of the bill.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Municipal water utilities.

Information Sources:

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